

The Scope for GI Based Branding in Agricultural Products: An Overview

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ABSTRACT

Agriculture plays a vital role in the Indian economy. Today, SMEs are considered as an important sector which may accelerate the process of economic progress in the developing countries. However, access to stable and high-valued markets is a challenging issue for SMEs in the agricultural sector. This challenge can be overcome by adopting a well planned marketing strategy for agricultural products especially by way of branding. But building a reputed brand for an agricultural product is a time consuming task and it takes endless efforts. Although, a number of agricultural products are being branded in India, there exists a tremendous scope to exploit GI based branding for the benefit and upliftment of our farmers. Effective planning and execution of GI based branding to market the agricultural products has tremendous potential to contribute to the economy of the country in the near future.

KEYWORDS: Geographical indication (GI), branding, marketing, agricultural products

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INTRODUCTION

"Taking your ideas to the market"- was the theme of this year's "World Intellectual Property Day" (observed in 26th April, 2021) highlights the key role Intellectual Property Rights play, in helping Small and Medium-sized Enterprises (SMEs) to build stronger and more competitive businesses. SMEs are considered as one of the essentials for economic progress in most developing countries. According to an estimate, SMEs contribute a third to the national GDP, comprise almost half of exports and employ a fifth of the country's workforce in India. However, access to stable and high-valued markets is a major challenge for SMEs in the agricultural sector. This challenge can be overcome by adopting an effective marketing strategy for agricultural products especially by way of branding. Recently, there has been a paradigm shift from offering commodity in simple form to differentiated goods and services to the consumers. This change extends to the agricultural products also and it leads to the need for branding of agricultural products. Agricultural producers mostly face the challenge of differentiating their products in the global market which is very much important to fetch premium price. But building a reputed brand for an agricultural product is a challenging and time consuming task. Fortunately, there exist numerous products which are grown at some specific places and have certain uniqueness in terms of quality, specific characteristics and reputation which make them different from same products grown at other places. The quality/reputation of those products is attributable to their original place of production which evolved over centuries.

To recognise this nexus between the qualities of the product with its place of origin/production the concept of Geographical Indication (GI) came up. A registered GI is the proof of the unique reputation of the product originating from a particular place and as such it helps to build a strong goodwill of the product. Today, GI has been emerging as strong brand just like the brands envisaged for the trademarks for protection of goods and services under the Trademarks Act, 1999. Although, a number of agricultural products are being branded in India, there exists a tremendous potential to exploit GI based branding for the benefit and upliftment of our farmers. Branding for the agricultural products has mostly been done at corporate level. However, several SMEs and cooperatives have also been able to create brands of their products.

GI based branding-a potential marketing tool:

A GI tag allows the producers to create an image of "exoticness" in the product in terms of its unique quality. These products may also derive exoticness from the history and tradition associated with the production processes from which the products originate. As such consumers also pay premium price for the products which are geographically branded. European countries have several successful examples of GI based branding like Tuscany olives, Roquefort cheese etc. According to a recent study published by European commission in 2020, GI tagged agri-food and drink products represent a sale value of € 74.76 billion. Similarly, "Malaysia's Best"- an umbrella brand for selected

horticultural products resulted a significant increase in the exports of guavas, mangoes and mangosteens—from \$21.73 million in 2017 to \$51.29 million in 2018.

There is a good international demand for fresh as well as processed agricultural products of Indian origin. While targeting the international market, agricultural products with a GI tag will give a brand image of Indian origin and has the potential to make it popular across the globe. Over the years, India has developed export competitiveness in certain specialized products too. India's exports of rice, wheat and millets witnessed a significant rise in 2020-21. Furthermore, non-basmati rice exports also doubled this fiscal as Thailand and Vietnam faced production problems. The Agriculture Export Policy, 2018 aims at achieving export target of \$60 billion by 2022 and \$100 billion thereafter. As on date, India has about 377 registered GIs, but not all of them have been used for commercial value addition. Two of India's well-known GIs are Darjeeling tea and Basmati rice which have already become popular brands across the globe. Similarly, GI tagging of Araku Valley Arabica Coffee of Andhra Pradesh helped it find recognition in France. There are more than 130 GIs in agricultural and food sector and 94 registered GIs fall under the category of APEDA's scheduled products viz., Cereals, Fresh Fruits and vegetables, processed products etc. The manufacturers of GI Tagged products can also exploit the online business platform to raise farmers' income. Top online retailer "Amazon" also announced a 'Spotlight North East' programme to get 50,000 artisans, weavers, and small businesses online from the eight states in the North East region of India by 2025. They are also planning to boost export of tea, spices, and honey from the region.

Furthermore, Prime Minister Narendra Modi campaign "Vocal for local" emphasizes the need for being more vocal about local products. Marketing of local products with a GI tag certifies that the product satisfies prescribed standards concerning origin, quality and other characteristics. To promote the GI products the Department for Promotion of

Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry, has already announced a common GI logo and a tagline in August 2018. The tagline 'Invaluable products of Incredible India' are intended to convey the 'national pride and the essence of India'.

Conclusion:

Agriculture plays a vital role in the Indian economy. A well planned business plan using the GI based branding to market the agricultural products has tremendous potential to contribute to the economy of the country in the days to come.

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